

IGB Corp  
to develop  
Thai project

# IGB Corp to jointly develop project in Bangkok

Land has potential for a mixed development

by **Shalini Kumar**

KUALA LUMPUR: IGB Corp Bhd has teamed up with Immortal Group Co Ltd, Theekharoj Piamphongsarn and Majestic Path Sdn Bhd (MPSB) to jointly develop 19 lots of freehold land in Bangkok, Thailand.

MPSB is a wholly-owned unit of IGB Corp.

Crystal Property Asia Co Ltd owns 13 lots of the land, which were acquired for 788 million baht (RM77.72 million). The intention is to acquire another six lots at an estimated 185.7 million baht.

"No valuation was carried out on the land and the consideration is based on the prevailing market value and the development potential of the land," IGB Corp said in a filing with Bursa Malaysia yesterday.

"The land has potential for a mixed project development by virtue of its location. Project funding shall be met by way of advances

from the parties, on a prorated basis and/or external financing," it added.

Thai-based Crystal Property is principally engaged in the business relating to a real estate project comprising the development, construction and sale of residential properties.

Meanwhile, MPSB and Immortal have entered into a share sale agreement in which MPSB would acquire a 49% stake in Crystal Property, from Immortal, for a total of 662.5 million baht in cash.

"In line with the group's direction and strategy to pursue a balanced growth profile, the proposals would enable the group to further expand its business operations and growth opportunities into Bangkok, thereby enhancing the international profile and future earnings potential of the group," said IGB

Corp in its filing.

The proposals are expected to be completed by the third quarter of this year.

For the second financial quarter ended June 30, 2014, IGB Corp's net profit rose 9% to RM66.55 million from RM61.03 million a year ago, while revenue grew to RM293.1 million from RM251.8 million.

For the six-month period, the group posted a net profit of RM124.9 million from RM109 million a year ago, while revenue was higher at RM589.13 million compared with RM494.84 million a year ago.

Looking ahead, IGB Corp is optimistic that operational results for 2014 would be better than the previous financial year.

IGB Corp's counter closed flat at RM2.87 yesterday, bringing its market capitalisation to RM3.8 billion.